



DEPARTMENT OF COMMERCE

International Trade Administration

[A-821-831]

Urea Ammonium Nitrate Solutions from the Russian Federation: Final Affirmative Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The U.S. Department of Commerce (Commerce) determines that urea ammonium nitrate solutions (UAN) from the Russian Federation (Russia) are being, or are likely to be, sold in the United States at less than fair value (LTFV).

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Krisha Hill or Drew Jackson, AD/CVD

Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S.

Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4037 or (202) 482-4406, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 2, 2022, Commerce published the *Preliminary Determination* in this investigation.¹ A summary of the events that occurred since Commerce published the *Preliminary Determination*, as well as a full discussion of the issues raised by parties for this final determination, may be found in the Issues and Decision Memorandum.²

Period of Investigation

The period of investigation (POI) is April 1, 2020, through March 31, 2021.

¹ See *Urea Ammonium Nitrate Solutions from the Russian Federation: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Extension of Provisional Measures*, 87 FR 5785 (February 2, 2022) (*Preliminary Determination*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, “Issues and Decision Memorandum for the Final Affirmative Determination in the Less-Than-Fair-Value Investigation of Urea Ammonium Nitrate Solutions from the Russian Federation,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

Scope of the Investigation

The products covered by this investigation are UAN from Russia. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

No interested party commented on the scope of the investigation as it appeared in the *Preliminary Determination*. We made no changes to the scope of the investigation.

Use of Adverse Facts Available

Pursuant to section 776(a) and (b) of the Tariff Act of 1930, as amended (the Act), we have continued to base the dumping margins for PJSC Kuibyshev Azot and SBU Azot upon facts otherwise available, with adverse inferences, because these companies failed to timely respond to Commerce's quantity and value questionnaire.

Analysis of Comments Received

All issues raised in the case briefs and rebuttal briefs submitted by interested parties in this proceeding are discussed in the Issues and Decision Memorandum. A list of the issues raised by parties and responded to by Commerce in the Issues and Decision Memorandum is attached to this notice as Appendix II. The Issues and Decision Memorandum is a public document and is available electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly at <https://access.trade.gov/public/FRNoticesListLayout.aspx>.

Verification

Commerce was unable to conduct on-site verification of the information relied upon in making its final determination in this investigation. However, we took additional steps in lieu of an on-site verification to verify the information relied upon in making this final determination, in

accordance with section 782(i) of the Act.³

Changes Since the Preliminary Determination

Based on our analysis of the comments received and additional information obtained since our preliminary determination, we made certain changes to the dumping margin calculation for Public Joint Stock Company Acron (Acron) after the *Preliminary Determination*.

Additionally, since we based the adverse facts available (AFA) rate for PJSC Kuibyshev Azot and SBU Azot on the highest non-aberrational transaction margin calculated for either mandatory respondent, and that margin has changed due to changes in our calculations at the final determination, we have revised the AFA dumping margin assigned to PJSC Kuibyshev Azot and SBU Azot to equal the highest non-aberrational transaction margin calculated for either mandatory respondent for the final determination. For a discussion of these changes, *see* the Issues and Decision Memorandum.

All-Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated weighted-average dumping margin for all other producers and exporters not individually investigated shall be equal to the weighted average of the estimated weighted-average dumping margins established for individually investigated exporters and producers, excluding any dumping margins that are zero or *de minimis* or any dumping margins determined entirely under section 776 of the Act.

Commerce calculated individual estimated weighted-average dumping margins for Acron and EuroChem,⁴ the mandatory respondents in this investigation, that are not zero, *de minimis*, or based entirely on facts otherwise available. Commerce calculated the all-others rate by weight averaging the estimated weighted-average dumping margins that it calculated for the individually

³ See Commerce's Letter to Acron on February 14, 2022 (Acron's ILOV Questionnaire); *see also* Commerce's Letter to EuroChem on February 15, 2022 (EuroChem's ILOV Questionnaire); Acron's Letter, "Urea Ammonium Nitrate Solutions from the Russian Federation: Response to Questionnaire in Lieu of Verification," dated February 24, 2022; and EuroChem's Letter, "Urea Ammonium Nitrate Solutions from the Russian Federation," dated February 24, 2022.

⁴ We used "EuroChem" to refer to the collapsed entity comprising the following companies: Azot, Joint Stock Company (*i.e.*, NAK Azot), Joint Stock Company "Nevinnomyssky Azot" (*i.e.*, Nevinka), Mineral and Chemical Company EuroChem, Joint Stock Company, and EuroChem Trading Rus, Limited Liability Company.

examined respondents. Commerce weight averaged these dumping margins by the publicly-ranged total values of their sales of subject merchandise to the United States during the POI.⁵

Final Determination

The estimated weighted-average dumping margins are as follows:

Exporter/Producer	Estimated Weighted-Average Dumping Margin (percent)	Cash Deposit Rate (Adjusted for Subsidy Offset(s)) (percent)⁶
Public Joint Stock Company Acron	8.16	8.02
Azot, Joint Stock Company/Joint Stock Company “Nevinnomyssky Azot”/Mineral and Chemical Company EuroChem, Joint Stock Company/EuroChem Trading Rus, Limited Liability Company	23.98	23.98
PJSC Kuibyshev Azot*	122.93	122.84
SBU Azot*	122.93	122.84
All Others	14.91	14.82

* Rate is based on facts otherwise available with an adverse inference.

Disclosure

Commerce intends to disclose its calculations and analysis performed to interested parties in this final determination within five days of any public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b).

⁵ With two respondents under examination, Commerce normally calculates (A) a weighted-average of the estimated weighted-average dumping margins calculated for the examined respondents; (B) a simple average of the estimated weighted-average dumping margins calculated for the examined respondents; and (C) a weighted-average of the estimated weighted-average dumping margins calculated for the examined respondents using each company’s publicly-ranged U.S. sale quantities for the merchandise under consideration. Commerce then compares (B) and (C) to (A) and selects the rate closest to (A) as the most appropriate rate for all other producers and exporters. *See Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews, Final Results of Changed-Circumstances Review, and Revocation of an Order in Part*, 75 FR 53661, 53663 (September 1, 2010). As complete publicly ranged sales data was available, Commerce based the all-others rate on the publicly ranged sales data of the mandatory respondents. For a complete analysis of the data, please see the All-Others Rate Calculation Memorandum.

⁶ See Memorandum, “Antidumping Duty Investigation of Urea Ammonium Nitrate Solutions from the Russian Federation: Final Calculations and Analysis for PJSC Acron,” dated concurrently with this memorandum; *see also* Memorandum, “Less-Than-Fair-Value Investigation of Urea Ammonium Nitrate Solutions from the Russian Federation: Preliminary Calculations and Analysis for EuroChem,” dated January 26, 2022; and Memorandum, “Final Determination Calculation for the All-Others,” dated concurrently with this memorandum.

Continuation of Suspension of Liquidation

In accordance with section 735(c)(1)(B) of the Act, we will instruct U.S. Customs and Border Protection (CBP) to continue the suspension of liquidation of all appropriate entries of UAN, as described in Appendix I of this notice, which were entered, or withdrawn from warehouse, for consumption on or after February 2, 2022, the date of publication of the *Preliminary Determination* in this investigation in the *Federal Register*.

Pursuant to section 735(c)(1)(B)(ii) of the Act, we will instruct CBP to require a cash deposit equal to the estimated amount by which the normal value exceeds the U.S. price in this final determination, as follows: (1) the cash deposit rate for each of the respondents listed in the table above is the company-specific cash deposit rate listed for the respondent in the table; (2) if the exporter is not a respondent listed in the table above, but the producer is, then the cash deposit rate is the company-specific cash deposit rate listed for the producer of the subject merchandise in the table above; and (3) the cash deposit rate for all other producers and exporters is the “All Others” cash deposit rate listed in the table above. These suspension of liquidation instructions will remain in effect until further notice.

In the event that a countervailing duty (CVD) order is issued, and suspension of liquidation is resumed in the companion CVD investigation of UAN from Russia, Commerce will instruct CBP to require, for this antidumping duty investigation, cash deposits adjusted by the amount of export subsidies, as appropriate. These adjustments are reflected in the final column of the rate table, above. Until such suspension of liquidation is resumed in the companion CVD investigation, and so long as suspension of liquidation continues under this antidumping duty investigation, the cash deposit rates for this antidumping duty investigation will be the rates identified in the estimated weighted-average dumping margin column in the rate table, above.

International Trade Commission Notification

In accordance with section 735(d) of the Act, Commerce will notify the U.S. International Trade Commission (ITC) of its final affirmative determination of sales at LTFV. Because the final determination in this proceeding is affirmative, in accordance with section 735(b)(2) of the Act, the ITC will make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, no later than 45 days after our final determination. If the ITC determines that material injury or threat of material injury does not exist, the proceeding will be terminated, and all cash deposits will be refunded. If the ITC determines that material injury or threat of material injury does exist, Commerce will issue an antidumping duty order directing CBP to assess, upon further instruction by Commerce, antidumping duties on all imports of the subject merchandise, entered, or withdrawn from warehouse, for consumption on or after the effective date of the suspension of liquidation.

Notification Regarding Administrative Protective Orders

This notice serves as the only reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a violation subject to sanction.

Notification to Interested Parties

This determination is issued and published in accordance with sections 735(d) and 777(i) of the Act, and 19 CFR 351.210(c).

Dated: June 17, 2022.

Lisa W. Wang,
Assistant Secretary
for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is all mixtures of urea and ammonium nitrate in aqueous or ammonia solution, regardless of nitrogen concentration by weight, and regardless of the presence of additives, such as corrosion inhibitors and soluble micro or macronutrients (UAN).

Subject merchandise includes merchandise matching the above description that has been processed in a third country, including by commingling, diluting, adding or removing additives, or performing any other processing that would not otherwise remove the merchandise from the scope of the investigations if performed in the subject country.

The scope also includes UAN that is commingled with UAN from sources not subject to this investigation. Only the subject component of such commingled products is covered by the scope of this investigation.

The covered merchandise is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheading 3102.80.0000. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope is dispositive.

Appendix II

List of Sections in the Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Changes Since the *Preliminary Determination*
- V. Discussion of the Issues
 - Comment 1: Whether to Reconsider Russia's Status as a Market Economy Country
 - Comment 2: Whether to Base Acron's Dumping Margin on Adverse Facts Available
 - Comment 3: Whether Commerce Made Certain Ministerial Errors
 - Comment 4: Whether to Base EuroChem's Dumping Margin on Adverse Facts Available (AFA)
 - Comment 5: Whether Commerce Should Grant EuroChem a Difference in Quantity Adjustment
 - Comment 6: Whether Commerce Should Grant EuroChem a Constructed Export Price (CEP) Offset
 - Comment 7: Whether to Apply the Cohen's *d* Test to EuroChem's Sales
 - Comment 8: Proper Enforcement of Antidumping Duty Laws
- VI. Recommendation

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